

SECRET EYES ONLY

3 MAY 1968

MEMORANDUM FOR: Colonel White
Mr. Bannerman

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I have just been advised through [] that the State Department Bill which would grant substantial increases in retirement annuities to Foreign Service personnel who will retire early has run into trouble with the Bureau of the Budget. The latter is reported as citing CIA's ability to handle the problem of excessive numbers of personnel arising from the BALPA exercise as evidence that there is no need to hand out bonuses. It also was reported that the State Department was thinking of trying another tactic - that of giving a cash bonus of one week's pay for each year of service to BALPA retirees. It was not indicated whether State thought it could do this on its own authority or whether this would be the basis for an alternative legislative proposal.

The thing that concerns me is the lack of unified effort on the part of all agencies affected by BALPA. It seems to me that BALPA, representing as it does a major reformation in Government policy and practices regarding its overseas programs, is the perfect platform for obtaining relief from Congress with the full support of the Administration.

When I proposed several months ago a BALPA retirement bonus on the general formula as that State is now considering, I was told by the General Counsel that legislation would be required. I was also advised that CIA would not seek such legislation and that some other basis for achieving the end should be sought. When I developed another proposal, the General Counsel, in commenting thereon, indicated that he thought it would be necessary to restrict the proposal to a very select few. In terms of equity and numbers of people involved, this attitude, in my opinion, emasculates the proposal. The point I am getting at is this. CIA has, at least with respect to BALPA, a problem that is common to several agencies. I believe if legislation is to be sought, this should be done on a concerted basis; otherwise, as illustrated, the arguments of individual agencies will be refuted by the failure of others to initiate action. Alternatively, if CIA is really going to attempt to do something under its own legislative authorities, it should at least make its proposals comparable and compatible with those other agencies may seek on a legislative basis - otherwise, we may set in motion a proposal subject to criticism by either our employees or members of Congress because it is more or less beneficial than those obtained by other agencies.

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My greatest concern is that the Agency has a problem which is clearly identified, but to which we are not being properly responsive.



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